

Docket No. 96-45
FCC Docket 99-204
November 29, 1999

DOCKET FILE COPY ORIGINAL

In the Matter of:

Federal-State Joint Board on Universal Service Promoting Deployment and
Subscribership in Unserved and Underserved Areas, Including Tribal and Insular
Areas

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Comments Relate to Insular Areas

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Text Comments:

Why American Indian Organization is Commenting on Insular Area Issues

The American Indian Information Network (AIIN) is a 501(c)3 organization based in Albuquerque, New Mexico, and is governed by a Board of Directors.

Recently, AIIN completed a fact-finding trip to the Yap State, which is one of four state of the Federated States of Micronesia. Also visited was Ulithi Atoll, an outer island area of Yap State, where nearly 1,000 U.S. Naval vessels were anchored during part of World War II on the coral reefs that surrounds about 3 dozen little islands. The Ulithi Atoll is 360 miles southwest of Guam, 850 miles east of the Philippines, and 1,300 miles south of Tokyo. The main island group of Yap, called Yap proper is about 280 miles below Ulithi and serves as a regional and FSM government center.

The Yap Governor, Vincent Figir, at the request of John Rulmal, Council of Ten Executive Officer from Falalop Island, Ulithi Atoll, hosted AIIN's trip. The purpose was to determine what solutions used by American Indian communities for improved telecommunication; healthcare; education; and, small business development could be applied to meet their needs.

Specifically, recommendations were sought for Falalop Island, which has about 400 residents on the largest island of the Ulithi Atoll. Falalop Island's school system consists of an elementary school and a high school that serves Falalop and neighboring islands. A health clinic was built two years ago under World War II reparation funds. This clinic, however, has not been equipped or staffed. Falalop Island desires improved telecommunications for distance learning and healthcare, and economic development. Recently, it built a small resort as an economic cornerstone to generate an island economy through micro-business that would eventually support this resort and other expansion plans on other islands.

The present communication system is limited to a 2-way radio connection to Yap State. Also lacking is the means of easy travel. An 8-seat passenger plane provides service two times a week between Falalop and Yap. Passenger travel to Yap is limited to one weekly in-bound flight from Guam and two outbound flights - one of which is offered by a multiple island service route that ends in Guam. The Yap State government operates a ship passenger/freight service that stops at populated islands in Ulithi, as well as, other outer islands. The route takes two weeks to complete, with each stop limited to several hours.

General Telecommunications Service Comments

The telecommunications services to Yap proper are provided by a FSM telephone company that was originally financed by the U.S. Department of Agriculture's Rural Utility Service. The phone company has not updated its infrastructure with new technology that could improve service and lower cost. Off-island phone service is \$2.50 a minute and occasionally it is disrupted. Islanders are required to pay the \$2.50 charge even if the party at the other end does not answer.

AIIN found that in addition to high-cost, limited phone service by the phone company, Yap State and other South Pacific areas were ineffectively served by others that offer services through limited and outdated technology. This service level also applies to the U.S. government. According to the U.S. Department of Agriculture's Hawaii Office, which serves local field offices in Yap and other FSM states, the agency cannot afford Internet access to their own offices.

AIIN believes that the portion of Yap state that it visited is not unlike the other three FSM states where telecommunication services is expensive and limited to more populated islands.

According to the Department of Insular Affairs, the FSM government informed that office and the U.S. Department of State that unlike other similarly situated island nations covered by the FCC notice, it did not want to be included in the Universal Service program. Due to the diplomatic arrangements with FSM, U.S. officials are unable to provide the FCC information on how that decision impacts

the health, education, and welfare of the FSM native people and economic goals reflected in the current compact and the second compact which is presently being negotiated.

AIIN is not aware of FSM's reasoning other than an obvious one of avoiding contributions to the universal service fund. Perhaps this outcome would have been different if FSM 1) had a utility authority to inform policymakers on choices available and protect the public's interest for access and affordability of telecommunications services; 2) a better understanding of economic understanding of universal services/access charge distribution; and 3) and an aggressive plan for telecommunication applications for health and education.

AIIN would also like to point out that while Yap State may or not support the national government's decision on responding to the FCC Notice of Proposed Rulemaking, it currently seeks telecommunications services commonly made possible in the U.S. only through universal service. In fact, when the FCC universal service program announcement came out for schools/libraries, the Yap educational department filed an application, but was told that the FCC had not made a determination of eligibility. As of today, the education department has a Yap State plan for network improvements, but no available funds.

Regarding healthcare, Yap State did not file an application because telemedicine services are provided on a direct military up-link to Tripper Air Force Base in Honolulu. AIIN was told that this up-link would be discontinued soon due to changes in Trippler's budget. Service will be dropped when the current user, an U.S. public health doctor, leaves Yap.

The following is a direct reply to specific FCC inquiries noted by the paragraph numberings:

140. The historical experience of Indians and persons living in insular areas does warrant the extension of federal trust-type principles. Thereby supplemental measures promoting the availability of universal service and supporting competitive access services such as Internet and Wireless in insular areas should be considered.

AIIN finds similarities between American Indians and the FSM areas visited. Like tribes, the cultural, language, geography and population area are unique with some wide variances. Geographically, FSM is a grouping of 607 small islands in the Western Pacific. Though the country's total land area amounts to only 270.8 square miles, it occupies more than one million square miles in the Pacific Ocean, and ranges 1,700 miles from East (Kosrae) to West (Yap). The FSM's 140,000 residents are not evenly distributed. This distribution pattern along with distance makes it difficult for a modern island nation to afford

service delivery for health, education and government services, as well as, attracting private sector interest in providing basic services.

The second similarity is that U.S. presence strongly influenced the composition of evolving island nations based upon geography and convenience. The U.S. in 1947 accepted responsibility for administering the Trust Territory of the Pacific Islands (TTPI) as created by the United Nations. Ponape (then including Kusaie), Truk, Yap, Palau, the Marshall Islands and Northern Mariana Islands together constituted the TTPI. The U.S. administered this responsibility with the U.S. Navy by appointing an overall TTPI Commissioner, who in turn appointed an administrator for each of the "Districts", mentioned above. In 1962, the naval authority was passed to the Department of Interior (Office of Insular Affairs). In 1979, the people of the former Districts of the Trust Territory formed a country comprised of Truk (now Chuuk), Yap, Ponape (non Pohnpei) and Kusaie (now Kosrae). In 1986, the U.S. and FSM signed a Compact of Free Association outlining security and economic agreements.

The third similarity noted is that tribes, like island nations, lack sufficient funding for basic government services. They are constantly juggling funds from many sources to devise solutions, and sometimes select short-term options based on dollars rather than more appropriate solutions for long-term investment. As such, the FCC should take appropriate action to ensure that tribes and island nations have access to affordable solutions as made available elsewhere.

AIIN respectfully requests the FCC to understand the fundamental notion of fairness and not to deprive any of these native people access and affordable telecommunications solutions based upon country nationality. To do otherwise, would fail to show genuine appreciation by Americans for places such as the Ulithi Atoll that offered a safe harbor during World War II, but today finds itself in place where the U.S. may treat them differently due government affiliation.

141. Comment on universal service issues affecting insular areas. The insular areas will benefit from the federal universal service support, many insular areas face some similar problems of porous concentrations of subscribers and low subscribership levels, but this in no way should limit their ability to benefit from universal service. Universal service support needs to be tailored to include support for providers in insular areas to include both Internet and Wireless service providers that would support the infrastructure required by rural health care providers and carriers. The infrastructure development needed in insular areas would be best served by those who benefit most from it, i.e. local native groups and communities formed into not-for-profit and co-op's.

Telecommunication services in insular areas have not worked in for-profit business models for obvious reasons; the benefits derived in insular areas enhance the people, community, local government and health care providers. The comprehensive framework should be built with bipartisan support and represent the participation of local individuals and organizations. By achieving telecommunication access services for all Americans, this framework will unified the country in improving the quality of life and health for everyone in the United States.

142. In phrasing the definition regarding the availability of universal service including insular areas, any island or territory that is protected by or under trusteeship of the United States should be included within this mandate articulating the principle that all consumers in all regions of the nation should have access to telecommunications services.

143. The definition or term "insular area" would be best served by a definition such as *"populated islands that are territories or commonwealths of the United States."* By including the phrase *"territories or commonwealths,"* you could restrict the definition to areas that are populated islands that have a local government or governing body included tribal government.

144. The definition or term "insular area" would be best served by a definition such as *"populated islands that are territories or commonwealths of the United States."* By including the phrase *"territories or commonwealths,"* you could restrict the definition to areas that are populated islands that have a local government or governing body included tribal government, this should include sovereign states. Freely Associated States (FAS), including the Republic of the Marshall Islands, the Midway Atoll, the Federated States of Micronesia, the Republic of Palau, Puerto Rico, American Samoa, CNMI, Guam, and the U.S. Virgin Islands should be properly included in the definition of insular areas.

145. The Freely Associated States (FAS), including the Republic of the Marshall Islands, the Midway Atoll, the Federated States of Micronesia, and the Republic of Palau, should be included in the definition of insular areas. These islands should be allowed universal service access.